



ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICES IN WILMINGTON, NORTH CAROLINA

August, 2003

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The City of Wilmington does not discriminate on the basis of race, sex, color, national origin, religion or disability in its employment opportunities, programs or activities.

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CONTENTS

INTRODUCTION	1
DEMOGRAPHIC PROFILE	4
General Population	4
Income	4
Poverty.....	4
Housing.....	6
DATA AND COLLECTION	11
Available Resources for Fair Housing.....	11
Fair Housing Survey.....	12
Public and Private Fair Housing Programs and Activities	13
New Hanover Human Relations Commission.....	13
Public Policies and Actions Affecting the Approval of Sites and Other Building Requirements Used in the Approval Process for the Construction of Housing	14
Diversification of Boards and Commissions	14
Zoning Regulations.....	15
Historic Preservation vs. Affordable Housing.....	19
Lead-Based Paint Hazard Control	21
Affordability and Availability of Land	22
Public Policies and Actions Affecting Municipal and County Services	22
Impact Fees	23
Administrative Policies Concerning Community Development and Other Housing Activities Receiving Federal, State or Local Funding	24
City of Wilmington's Community Development Block Grant (CDBG) and Home Programs	24
Developers and Non-Profits Who Receive Federal, State or Local Funding for Housing Activities	25
Non-Profits Receiving Continuum of Care or Emergency Shelter Grants	26

Wilmington Housing Authority.....	26
Historical Incidences that Contribute to Current Patterns of Segregation and Spatial Isolation	27
Real Estate Community	29
Fair Housing Rental Audits	30
Lending Institutions	32
HMDA Data Analysis.....	32
Summary of the HMDA Analysis	32
IMPEDIMENTS TO FAIR HOUSING CHOICES	34
Resources - General.....	34
Public Policies	34
Board and Commissions	35
Planning and Zoning.....	35
Lead-Based Paint Hazard Control	35
Impact and Connection Fees.....	35
Community Development Block Grant and Home Program.....	36
Non-Profit Organizations Providing Housing	36
Public Housing.....	36
Patterns of Segregation and Spatial Isolation.....	36
Real Estate	36
Lending Institutions	37
TABLES	
1. Population by Age and Sex.....	5
2. Numbers and Percentage, by Race, of Households Who Won There Own Home.....	6
3. Population Profile	8
4. Households and Income Profile	9
5. Housing Profile	10
6. New Hanover Human Relations Commission Fair Housing Statistics	14
7. Wilmington Zoning Districts	16
8. Age of Housing Profile	21

9. Cost of Living Survey.....	30
10. NC Income Standard for New Hanover - 2003	31

MAPS

A. Minimum Housing Code Violations and Historic Districts	39
B. Housing Tenure by Census Tract	40
C. Race Percentages by Census Tract	41

APPENDICES

A. Fair Housing Public Survey.....	43
B. Human Relations Commission, Fair Housing Advertisement and Brochure.....	46
C. Wilmington Care Facilities Ordinance	49
D. Program and Services Checklist	50
E. City of Wilmington Impact Fees	55
F. Tri-County Homeless Interagency Council Point-in-Time Survey	57

RESOURCES	59
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INTRODUCTION

In 1968 Congress passed the Fair Housing Act to end housing discrimination because of race, color, national origin, religion and sex. The Act was amended by Congress in 1988 to add protection from discrimination on the basis of “handicap” or “disability” and familial status, which means the presence or anticipated presence of children under 18 in a household.

According to the federal Fair Housing Guide, “the U.S. Department of Housing and Urban Development (HUD) is committed to eliminating racial and ethnic segregation and other discriminatory practices in housing...The fundamental goal of the Department’s fair housing policy is to make housing choice a reality through fair housing planning (FHP).”¹

FHP requirements for local governments which receive funding from HUD, such as the City of Wilmington, include the following:

- The development every three to five years of an Analysis of Impediments to Fair Housing Choice;
- Actions or a plan to overcome the effects of the identified impediments; and
- The maintenance of records to support the Fair Housing Plan.

Through the City’s Consolidated Five-Year Community Development Plan and the annual Action Plans, the City must certify that it is following its Fair Housing Plan and is affirmatively marketing fair housing in this jurisdiction.

The *Analysis of Impediments to Fair Housing Choices in Wilmington, North Carolina* is the first step in the process to assure Wilmington residents that the City is equally committed to eliminating discrimination in housing practices. This document serves as a logical basis for the development of the City’s Fair Housing Plan; and provides detailed information on discriminatory practices to elected officials, administrative staff, housing providers, lenders and fair housing advocates.

Impediments to fair housing choices are any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin which restrict housing choices or the availability of housing choices. In identifying these impediments, the City is required to review its laws, regulations and administrative policies, procedures and practices; and assess how those laws, etc., affect the location, availability and accessibility of housing.

The Analysis begins with a demographic profile of Wilmington’s population and housing. The majority of the Analysis includes data collection from various sources throughout the community and concludes with a listing of identified Impediments to Fair Housing Choices. These impediments are not all inclusive but will constitute a framework for development of the City’s Fair Housing Plan.

According to the “Fair Housing Trends Report”, produced by the Fair Housing Alliance, “the level of housing discrimination complaints filed by African Americans and people with disabilities in 2001 remained high throughout the United States.” The Alliance reported more than 23,500 complaints, is just a small fraction of the annual incidence of housing discrimination across the country. An article in

¹ U.S. Department of Housing and Urban Development, Office of Fair Housing Opportunity. “Fair Housing Planning Guide.” Washington, D.C.

The Challenger says that HUD estimates that two million Americans actually experience housing discrimination every year.²

Unlike the national figures, housing discrimination is not being reported in the Wilmington area—not because it does not exist, but because of lack of public education and fear or indifference among the victims of discrimination. The Analysis reviews these issues in depth, in addition to identifying discrimination (predominately against minorities and persons with disabilities), but the overwhelming factor in every area is the need for education—education of the general public, policy makers, housing providers, and the financial industry.

Methodology

Early in 2003, the Community Development staff began collecting data and information concerning fair housing choices in the Wilmington area. A student intern was hired from the Public Administration Program at the University of North Carolina at Wilmington to assist with the collection.

With the assistance of the Wilmington Affordable Housing Coalition and the New Hanover Human Relations Commission, a Fair Housing Taskforce was developed and began meeting in February.

Members agreed on the following Mission Statement:

To assist the City of Wilmington in developing an Analysis of Impediments to Fair Housing, and to assist with the development of the City's Fair Housing Plan on how to eliminate those impediments.

Duties established by the Taskforce were as follows:

- Advise City staff on the collection of data for the Analysis of Impediments to Fair Housing;
- Analyze the data supplied by staff;
- Use identified impediments to develop a Fair Housing Plan; and
- Identify ways the city is presently addressing impediments, BUT also areas that need to be expanded.

Data and information used for the development of the Analysis came from surveys, interviews, census data, and written reports, letters and articles. An unscientific survey of citizens was conducted through *The Wilmington Star* and *The Journal*, the Internet website for the City of Wilmington and distribution of the survey through several local non-profit agencies. See Appendix A for a synopsis of the survey.

A survey of city and county departments was conducted through a "Program and Services Checklist." Departments responding to the survey included the City of Wilmington: Community Services, Management Services, Human Resources, Purchasing, Fire, Police, Public Utilities, Public Facilities, and Parks and Recreation; and New Hanover County: City Manager, Building Inspections, Social Services, Health, Human Resources, Environmental Management and Planning. Departments that did not respond to the survey include the City of Wilmington Development Services Department and the Finance Department; New Hanover County Schools and the Sheriff's Department.

Agencies interviewed for the purposes of the Analysis included the New Hanover Human Relations Commission, the Tri-County Homeless Interagency Council, Wilmington Housing Authority, Good Shepherd Ministries, Volunteers of America at Willow Pond, Habitat for Humanity, Cape Fear Regional Community Development Corporation, and city staff from several departments.

² "Housing Discrimination." *The Challenger*. Vol. XIV No.15. April 17, 2002.

Analyzing information from the U.S. Bureau of Census is very difficult for Wilmington, because the 2000 census does not include the annexed areas in its statistics for the City. In order to obtain an accurate picture of all demographics, calculations must be made to combine the 2000 Census data for Wilmington with census data from each of the annexed Census Tracts, minus the areas within those tracts that were not annexed. Staff has attempted to follow this methodology as closely as possible, but in some instances (acknowledged accordingly) information from HUD and in-house reports was not available on the annexed areas.

Articles, letters and reports used for the development of the Analysis are listed in the “Resources” section at the end of the “Analysis of Impediments to Fair Housing Choices for Wilmington, North Carolina.”

The Taskforce finalized their recommendations in June. Staff completed the Analysis and submitted it to the City Manager in July 2003. In late July, the taskforce began using the Analysis to develop a Fair Housing Plan for Wilmington.

Many thanks to Taskforce members and staff who assisted with this project, especially Paula Tyndall, University of North Carolina at Wilmington, and Chad Ives, Department of Development Services, City of Wilmington.

CITY OF WILMINGTON

DEMOGRAPHIC PROFILE

Wilmington is an extremely fast growing city as evidenced by the nearly 62 percent increase in population from 1990 to 2000. This increase was due mostly to the annexation of several Census Tracts in 1998 and, to some extent, to the influx of retirees and students. This data is reflected in Tables 3-5.

According to the 2002 summer edition of *Where to Retire*, Wilmington is an emerging retirement Nirvana. Those over the age of 65 make up 12.6 percent of the City's population. For the state of North Carolina, it is 13 percent and is expected to rise to 18 percent by 2020. Wilmington may see the number of elders increase to 19.4 percent by 2020.³

The median age, however, remains low (34 percent) due to the increase in student population at UNC at Wilmington and Cape Fear Community College. (See Table 1 for population by age.) UNC-W presently has 11,700 students; and there are 6,000 students each semester, at Cape Fear, seeking credit hours. Tourism is also increasing as evidenced by the almost 300 percent increase in seasonal housing from 175 units to 674.

General Population

The majority of Wilmington's increase in the general population from 1990 to 2000 was in the Caucasian community, which rose 80 percent. While the Hispanic community continues to be a small percentage of the total population (2.4 percent), the Hispanic community itself exploded by 349 percent since 1990. With this explosion, however, came an increase in Hispanics living below the poverty level. See Table 3 for detailed census data. It must be noted, however, that many individuals of Hispanic origin have not traditionally completed Census forms, especially in 1990, skewing the figures and making them appear to be lower than they actually may be.

Income

According to HUD, the median income (MI) in 2000 for the Wilmington area was \$47,743. The **actual number** of households considered to be low to moderate income (less than 80 percent of the MI) is steadily increasing, but it is increasing at a **slower** rate than those families whose median income is above 80 percent. Approximately half of the Caucasian families in the city have low to moderate incomes, but the actual number of Caucasian families in this bracket increased by almost 82 percent since 1990. The percentage of African American families making less than 80 percent of the median income, increased by only 1,021 or 20 percent; but the **percentage** of low- to moderate-income African American families remains **extremely** high.

Poverty

It is the poverty level in which Wilmington needs to be concerned the most. Although there is a lower percentage of the City's population living in poverty, 22.3 percent, this percentage is nearly double that for the State of North Carolina. In fact, the actual **number** of households in poverty increased by 42.2 percent between 1990 and 2000. The number of African American households living in poverty in Wilmington was nearly stable—increasing by less than 300 households during that 10-year period. The greatest increase in poverty was in Caucasian households, which increased by nearly 3,000 or 60.5 percent.

³ Bon, Marita. "Wilmington is 'Where to Retire.'" *The Star-News* [Wilmington, North Carolina] 21 May 2002.

Wilmington needs to be concerned about the poverty levels for all races, because, overall, it is double the national figure (11.7 percent). After nearly a decade of decline, the U.S. poverty rate increased in 2001, with 32.9 million people living in poverty that year—1.3 million more than in 2000. During this same time, the median household income declined nationally 2.2 percent to \$42,228. “It was the first significant decline in a decade.”⁴

Another area of concern is the number of children living in poverty in Wilmington. The percentage of children (26 percent) in this category remains alarmingly above the state average of 15.7 percent. The substantial increase of single women who are heads of households may be a strong indication of why there are more children living in poverty. According to the Children’s Defense Fund, approximately 932,000 African American children are living in extreme poverty in the United States. That is 8 percent of all black children, double the percentage for all races. The organization defines extreme poverty as “a family with after-tax income that is less than half what the federal government defines as the poverty line. For a family of three, the federal figure was \$14,128 in 2001—making the extreme poverty line \$7,064 for that year.”⁵

A report from the Children’s Defense Fund, released in April 2003, also estimated there were 733,000 extremely poor Hispanic children in 2001.⁶

Housing

The number of housing units in Wilmington increased almost at the same rate as the increase in households and the general population. Single-family homes make up the majority of the type of housing units, with a slight majority of units being owner-occupied. The majority of homeowners in Wilmington are Caucasian, 84.7 percent. The remaining 15 percent of the homeowners are African American or Hispanic (See Table 5).

Table 2 shows that, between 1990 and 2000, only 371 additional African American households became homeowners—a much slower rate than Caucasian or Hispanic households.

TABLE 2 NUMBER AND PERCENTAGE, BY RACE, OF HOUSEHOLDS WHO OWN THEIR OWN HOME				
RACE	2000		1990	
	# Households	%	# Households	%
Caucasian Households Owning Homes	19,476	64.8%	8,456	52.5%
African American Households Owning Homes	2,920	36.9%	2,549	36.5%
Hispanic Households Owning Homes	506	2.2	41	.3%

Source: U.S. Census Bureau

⁴ Armas, Genaro C. “Recession Pushes Poverty Up, Income Down.” The Star News [Wilmington, North Carolina]. Vo. 135 No. 297. September 25, 2002.

⁵ “More Black Children Now Living in Poverty.” The Star News [Wilmington, North Carolina]. May 1, 2003.

⁶ Ibid.

It is the cost of housing, however, that has increased the most in Wilmington. The average cost of owning a home increased 103 percent to \$128,000 from 1990 to 2000. The average fair market rent increased 95 percent to \$594 (\$649 in 2003). The vacancy rate of rental housing is 12.8 percent, as compared to the 3.6 percent for homeowner units. This is another indication of a lack of affordable housing for potential homebuyers.

**TABLE 3
CITY OF WILMINGTON
POPULATION PROFILE**

POPULATION IDENTIFIERS	2000		1990		% CHANGE SINCE '90	STATE OF NORTH CAROLINA 2000	
	TOTAL	%	TOTAL	%		TOTAL	%
Population	89,474	100%	55,530	100%	61.6%	8,049,313	100%
Caucasian	64,986	72.6%	36,059	64.9%	80.2%	5,804,656	72.1%
African American	20,204	22.6%	18,815	33.9%	7.1%	1,737,545	21.6%
Hispanic	2,142	2.4%	477	.9%	349.1%	378,963	4.7%
Native American	300	.3%	167	.3%	79.6%	99,551	1.2%
Disabled	28,842	32.2%	~	~	~		
< 18 Years of Age	17,529	19.6%	12,106	21.8%	44.8%	2,193,357	27.2%
> 65 Years of Age	11,600	12.6%	8,822	15.9%	31.5%	969,048	12.0%
Median Age	34.1*	~		~		35.3	~
Female	47,549	53.1%	30,380	54.7%	56.5%	4,106,618	51.0%

Source: U.S. Census Bureau

* Figure based on 2000 Census without annexed data

TABLE 4
CITY OF WILMINGTON
HOUSEHOLD AND INCOME PROFILES

HOUSEHOLD AND INCOME IDENTIFIERS	2000		1990		% CHANGE SINCE '90	STATE OF NORTH CAROLINA 2000	
	TOTAL	%	TOTAL	%		TOTAL	%
Number of Households	39,443	100%	23,557	100%	67.4	3,132,013	100%
Average Number Persons/Households	2.28	~	2.26	~	0.9	2.49	
Persons Living in Group Quarters	3,605	9.2%	2,221	9.4%	62.3%		
Single Female Head of Household	9,917	25.3%	4,236	18.0%	134%	389,997	12.5%
Number of Caucasian Households	30,051	76%	16,111	68.4%	84.5%	2,365,755	75.5%
Number of African American Households	7,903	20%	6,985	29.7%	13.1%	625,913	20%
Number of Hispanic Households	683	1.7%	154	.7%	343%	89,055	2.8%
Area Median Income (AMI) Family of Four (HUD 2003 = \$53,700)	\$ 47,743	~	\$27,202	~	75.5%	\$ 46,335	~
Households Above 80% of AMI	17,615	44.9%	9,799	41.6%	79.8%		
Households Below 80% of AMI	21,616	55.1%	13,449	57.1%	60.7%		
Caucasian <80% AMI	14,919	50.2%	8,215	51%	81.6%		
African American < 80% AMI	6,235	77.1%	5,214	74.6%	19.6%		
Hispanic < 80% AMI	462	64.2%	20	13%	2,210%		
Poverty Level (30% AMI)	\$ 14,323	~	\$ 8,160	~	75.5%		~
Total <u>Households</u> Below Poverty Level	8,802	22.3%	6,183	26.2%	42.4%	990,065	12.3%
Caucasian < Poverty Level	5,132	17.1%	3,198	19.8%	60.5%	477,510	
African American < Poverty Level	3,187	39.9%	2,889	41.4%	10.3%	379,349	
Hispanic < Poverty Level	158	22.7%	24	15.6%	558%	361,827	
< 18 Years of Age < Poverty Level	4,540	25.9%	3,779	31.2%	20.1%	311,053	15.7%
> 65 Years of Age < Poverty Level	1,392	12.0%	1,439	16.3%	<3.3>%	122,248	13.2%

Source: U.S. Census Bureau; and U.S. Department of Housing and Urban Development

**TABLE 5
CITY OF WILMINGTON
HOUSING PROFILE**

HOUSING IDENTIFIERS	2000		1990		% CHANGE SINCE '90	STATE OF NORTH CAROLINA	
	TOTAL	%	TOTAL	%		TOTAL	%
Housing Units	43,797	~	26,469	~	65.5%	3,523,944	100%
Single Family Occupied	23,818	54.4%	15,269	57.7%	56%		
Multi-Family Occupied	16,510	37.7%	10,607	40.1%	56%		
Public Housing	1,416	3.2%	1,666	6.3%	<15>%		
Section 8	1,572	3.6%	988	3.7%	59%		
Mobile Homes	880	2.0%	693	2.6%	27%		
Seasonal	674	1.5%	175	.7	288%	134,870	3.8%
Substandard*	377	0.9%	~	~	~	~	~
Vacant	4,342	9.9%	2,912	11%	32.9%	391,931	11.1%
Fair Market Rent: Two-Bedroom Unit (2003 = \$649)	\$ 594	~	\$ 304	~	95 %	\$ 431	~
Rental Units	20,479	43.4%	12,458	~	52.6%	959,658	27.2%
Caucasian	12,389	65.2%	7,511	60.1%	64.9%		
African American	4,373	23%	4,223	33.9%	3.6%		
Hispanic	1,179	6.2%	113	.9%	934%		
Rental Vacancy Rate	2,634	12.8%	~	11.2%	4.5%	8.8	~
Average Cost to Buy a Home	\$ 128,400	~	\$ 63,300	~	103%	\$ 95,800	~
Owner Occupied Units	22,994	~	12,458	~		2,172,355	61.6%
Caucasian	19,476	84.7%	8,456	67.9%			
African American	2,920	12.7%	2,549	20.5%			
Hispanic	506	2.2%	~	~			
Homeowner Vacancy Rate	~	3.6%	~	2.8%	~	2.0	~

Source: U.S. Census Bureau; and U.S. Department of Housing and Urban Development

*Minimum Housing Code cases identified by the Community Services Department, City of Wilmington, as of April 1, 2003

DATA AND INFORMATION COLLECTION

AVAILABLE RESOURCES FOR FAIR HOUSING

Discussions with the Fair Housing Task Force members and local provider agencies indicate that “word-of-mouth” is the number one vehicle for residents to learn about the availability of housing services or resources. Other ways that local agencies get information to the public are through advertising, service providers, outreach to the community, and referrals from agencies such as the Department of Social Services, community events, and churches. These, however, are “hit-or-miss” efforts. Networking between and among housing agencies and service providers may improve the situation, but Taskforce members agreed that churches and religious institutions are the most accessible mode of information for nearly all citizens. Fair Housing advocates, however, need to break down the barriers with local ministers to make this a viable means of communication.

The types of outreach being used by public and non-profit housing agencies to make low- and moderate-income families aware of services and housing opportunities include newspaper ads and news articles; GTV-8; networking between service professionals; workshops; and community activities, such as the Black Expo and the Latino Festival.

Eligibility requirements do not appear to be a major issue, in general, for affordable housing in Wilmington. For many of the federal programs, the main eligibility requirement is to be a resident of the City of Wilmington. Income limits may affect some federally funded programs such as Section 8. For Hispanics, many programs exclude non-documented citizens who are not yet American citizens and do not have a Social Security Number, but Tax Identifications Numbers may cover eligibility requirement for some programs.

Cultural, language, literacy and disabilities appear to be the most important issues for accessing information and resources. In Wilmington, there are limited interpretation services, very little advertising in other languages (sign language included), and modest usage of large print. While the City of Wilmington has attempted to advertise most Community Development activities in Spanish, other city services are available only in English, and there are no immediate interpretative services available for city departments on phone or in person. Sign-language interpreters are available for major public meetings and hearings, but sound and sign language are not available on Government TV.

Literacy is an important factor when disseminating information. For educational attainment, in New Hanover County in 2000, 3.5 percent of adults over the age of 25 have less than a ninth grade education. According to the National Institute for Literacy, however, the estimated combined literacy proficiency in Wilmington is 28 percent.⁷ This was based on a 1992 National Adult Literacy Survey, which tests how people can perform tasks at four different levels. The fifth grade and below is the lowest composite level. The areas tested and combined were math, reading and document literacy. New Hanover County scored 20 percent, just below the national average of 22 percent. (This was a synthetic study with a confidence level of 95 percent.)

According to the Cape Fear Literacy Council, 4 percent of all Americans are unable to read or write. (This figure does not include individuals who do not speak English.) Also, 10 to 15 percent have serious problems with reading; and 20 percent of our nation’s children suffer from a reading disability.

⁷ The State of Literacy in America, National Institute for Literacy, 1998.

Public policies can be a barrier to different cultures, such as limited occupancy requirements for expanded or extended families. This is discussed under “Public Policies and Actions Affecting the Approval of Sites and Other Building Requirements Used in the Approval Process for the Construction of Housing – Zoning Requirements.”

FAIR HOUSING SURVEY

A Fair Housing Survey was conducted by the City of Wilmington to collect data from local residents on fair housing issues and expose any impediments that may exist to fair housing choices. Various mediums were used to make the public aware of the survey and the importance of citizen participation in this effort. The survey was published in the Wilmington Star News and The Journal, where an editorial was written, encouraging citizens to complete the survey. It was also made available on the City’s website and was distributed electronically to city employees. Copies of the survey were distributed to the Wilmington Housing Authority and to local agencies who provide or work with affordable housing, e.g., Habitat for Humanity, Wilmington Housing, Finance and Development, Volunteers of American of the Carolinas, Good Shepherd, First Fruit, ARC, Amigos Internacional, and Community Housing Development Organizations. See Appendix A for survey questions and detailed results.

Surveys completed totaled 296, with 95.6 percent of the respondents being city residents. The typical responder was an African American woman with no children under the age of 18, and renting a house, apartment or public housing unit. The following is a brief summary of survey results. The complete survey can be reviewed in Appendix A.

Respondents:

- 66 percent - female
- 51 percent - African American
- 45 percent - have no children under the age of 18
- 31 percent - disabled or have someone living with them who is disabled
- 66 percent - tenants in public housing or rent from a private landlord or Section 8
- 13 percent - homeowners

Discrimination:

- 10 percent believe they were discriminated against in rental housing
- 6.4 percent believe they were discriminated against when purchasing a home
- 14 percent have experienced redlining
- 11 percent had difficulty obtaining homeowner’s insurance
- 23 percent had difficulty obtaining a mortgage
- 19 percent do not feel comfortable going into a bank
- 15 percent prefer to do business with a pawnshop or check cashing service than a bank
- 64 percent would like to own a home
- 52 percent are satisfied with the overall quality of their neighborhoods
- 73 percent know what “fair housing” means

Issues Facing Our Community Today:

- 71 percent – affordable housing
- 56 percent – need to increase available rental housing for families
- 51 percent – revitalizing neighborhoods

When asked to name three things they would like to see done to improve housing availability, the top three choices were:

Affordability;

Availability; and

Transportation (extending bus lines to other areas of the community).

Respondents indicated that the top five housing problems are the three items mentioned above plus “crime and social problems in public housing” and “interior and exterior upkeep of properties.” One area of concern with those surveyed is that 73 percent know what Fair Housing means, and 10 percent feel they were discriminated against, but according to the New Hanover Human Relations Commission, they are not reporting discrimination to the proper authorities.

(Note: Due to the low number of returns, the study does not necessarily reflect the sentiments of the majority of Wilmington residents.)

PUBLIC AND PRIVATE FAIR HOUSING PROGRAMS AND ACTIVITIES

New Hanover Human Relations Commission

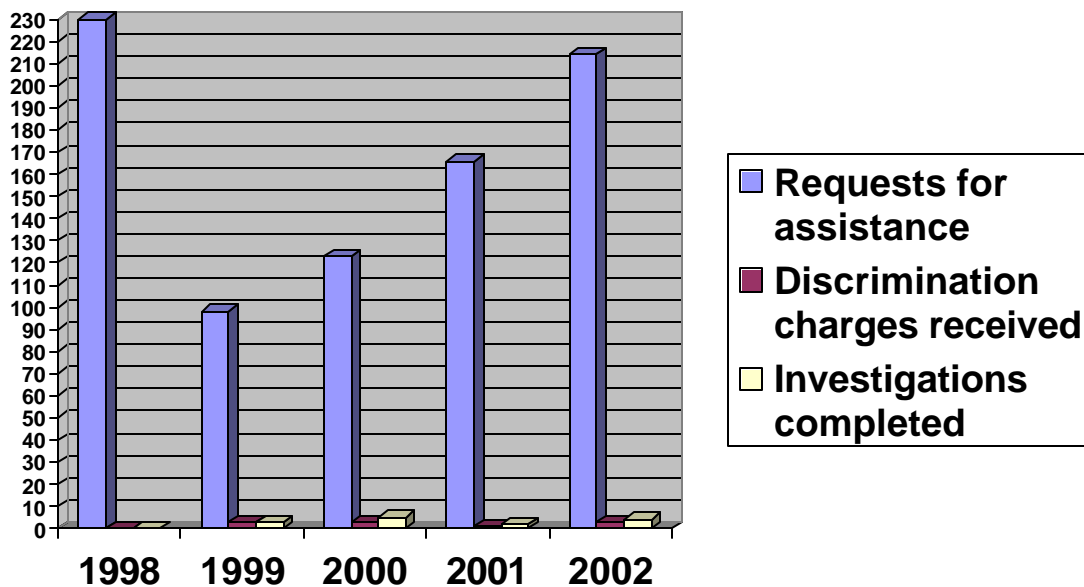
The New Hanover Human Relations Commission is the entity responsible for enforcing fair housing laws and fair employment laws in New Hanover County, which includes the City of Wilmington. The Commission first formed as “The Bi-Racial Committee” in 1963. The name was later changed to the “Mayor’s Good Neighbor Council.” During 1971, the City of Wilmington established the Human Relations Commission by ordinance. It was reorganized in 1977, and in June 1980, the New Hanover County Board of Commissioners established the Commission as a countywide agency. The Commission enforces New Hanover County’s fair housing and fair employment ordinances. In addition, the staff investigates allegations of illegal discrimination from local citizens within New Hanover County, including the City of Wilmington, Carolina Beach, Kure Beach and Wrightsville Beach. See Appendix B for the Commission’s Fair Housing advertisement and brochure.

In 2002, the Commission received 214 requests for assistance with housing-related issues, three discrimination charges were filed, and four investigations were completed. If Commission investigators determine that Fair Housing laws have been broken, they then seek resolution to those charges and, if necessary, make referrals to other human rights agencies. Table 6 shows the number of housing requests for assistance received, discrimination charges investigated, and investigations completed over the past five years.

According to the Commission’s Mission Statement:

“The Human Relations Commission promotes and encourages fair treatment of and equal access to employment, housing, public accommodations and economic development opportunities for all citizens. The Commission facilitates mutual understanding and respect for all citizens through education, legislation, enhancement of public awareness and partnering with other entities sharing the same goals and visions.”

TABLE 6
New Hanover Human Relations Commission
Fair Housing Statistics 1998-2002



*Source: New Hanover Human Relations Commission Annual Reports from 1998-2002.

PUBLIC POLICIES AND ACTIONS AFFECTING THE APPROVAL OF SITES AND OTHER BUILDING REQUIREMENTS USED IN THE APPROVAL PROCESS FOR THE CONSTRUCTION OF HOUSING

Diversification of Boards and Commissions

City government is the shared responsibility of elected officials, staff, and the many citizens who serve on various boards and committees. Some board and committee seats require city residency, designated skills, or training as specified by regulations. The City Council believes that the city is best served when there is a broad representation of volunteer citizens on the boards and committees. The city desires to reflect a broad participation in appointments, by including male and female citizens, persons from all geographic areas of the city and county, and persons representing diverse racial and age groups.

There is, however, very little diversity on the Planning Commission or the Board of Adjustment for the City of Wilmington. Of the seven members on the Planning Commission, none are female, minority or disabled. Of the six members on the Board of Adjustment, two are female, and none are minority or disabled. One reason for the lack of diversity may be the requirements for skills or training, or lack of interest by minorities and persons with disabilities. The city is attempting to address this issue by conducting Citizen Academies to train interested citizens for appointments to boards and commissions. Affirmative action, however, may be difficult. Supposedly other laws prevent the city from asking for sex, race or disability from applicants for such appointments.

The Wilmington Housing Authority does make an effort to diversify its board. Of the nine board members, five are minorities. There are no members, however, with disabilities.

Zoning Regulations

Zoning is a means of insuring that land uses are compatible to one another. Traditionally, zoning ordinances are used to protect the public health, safety and welfare of a community. According to the Wilmington City Attorney, The Fair housing Act prohibits cities from making zoning or land use decisions implementing land use policies that exclude or otherwise discriminate against protected persons. The Act makes it unlawful to utilize land use policies or actions that treat groups of persons with disabilities less favorably than groups of non-disabled persons, to take action against or deny a permit for a home because of the disability of individuals who live or would live there, and to refuse to make reasonable accommodations in land use and zoning policies and procedures where such accommodations maybe necessary to afford persons or groups of persons with disabilities an equal opportunity to use and enjoy housing.

“Even though a zoning ordinance imposes the same restrictions on group homes for the disabled that it imposes on other groups of unrelated people, a local government may be required to grant a reasonable accommodation to such group home. There are generally two questions required to determine what is reasonable: (1) does the request impose an undue burden or expense on the local government? (2) Does the proposed use create a fundamental alteration in the zoning scheme?”⁸

Zoning districts were established in the City of Wilmington “in order to regulate the height and size of buildings; to regulate the intensity of land usage; to regulate areas for open space; to regulate the location of land uses; to provide for improved environment; and to promote health, safety and general welfare of its citizens.” There are 22 separate use districts in Wilmington, 15 of which allow residential dwellings as a use; four allow residential dwellings as an accessory use. Density controls are implemented through minimum building lot sizes and “set back” requirements. Distance or separation requirements (AKA dispersion requirements), supervision and “family size” are used to control the location of certain types of housing and the number of people living in a dwelling unit. See Table 7 for a summary of residential zoning districts in Wilmington, lot size, setback requirements, family size and dispersion requirements.

Over the past five years, one complaint was filed against the city concerning zoning and the City’s Care Facilities Ordinance. (See Appendix C for the 2003 Ordinance with Amendments.) The complaint was filed in 2002 with the U.S. Department of Housing and Urban Development (HUD), by R. Manley Lucas, and alleged that the city's zoning requirements for group residential facilities violate the Fair Housing Act by preventing the development of new housing for the disabled. The City responded denying any violation.

The complaint charges were dismissed, according a letter on May 30, 2003, from Gregory B. King, HUD Region IV Director, Office of Fair Housing and Equal Opportunity. According to Mr. King, “informal efforts to resolve this case during the investigation were unsuccessful. Based on Evidence obtained during the investigation, the Department has determined that reasonable cause does not exist to believe that a discriminatory housing practice has occurred.”⁹

The City Council amended the Care Facilities ordinance in March 2003. The ordinance now separates supportive group homes into small, medium and large categories, all of which are required to have resident supervisors and meet a half-mile separation requirement (separation does not apply in commercial or multi-family districts). All are required to have conditional permits, but are not required to go before City Council for a public hearing. Small Group Homes (Supportive) may house up to three people with special needs, with a family or supervisor. Medium Group Homes (Supportive) may

⁸ City of Wilmington “Interdepartmental Memorandum.” Tom Pollard, Attorney, November 14, 2002.

⁹ United States Department of Housing and Urban Development, Letter: “HUD Case Number 04-02-1483-8.” Gregory B. King. Atlanta: May 30, 2003.

TABLE 7
WILMINGTON ZONING DISTRICTS

Zoning Use Districts	Lot Size (sq. ft.)	Set Backs (in feet)				Care Facilities Ordinance	
		Front	Rear	Side Interior	Corner	Family Size	Distance Requirements
R-20 Residential	20,000	30	25	15	20	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
R-15 Residential	15,000	30	25	10	15	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
R-10 Residential	10,000	30	25	10	15	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
R-7 Residential	7,000	30	20	8.5	12.5	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
R-5 Residential	5,000	20	15	7	10.5	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
R-3 Residential	3,000	15	15	5	5	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
MHP Manufactured Housing Park						Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
MF-L Multiple Family Residential Low Density	15,000	35	25	20	30	Sm./Med./Large	None
						Gr. Home Res.	One-Mile
MF-M Multiple Family Residential Medium Density	20,000	35	25	20	30	Sm./Med./Large	None
						Gr. Home Res.	One-Mile
MF-H Multiple Family Residential High Density	20,000	30	25	20	30	Sm./Med./Large	None
						Gr. Home Res.	One-Mile
MX Mixed Use						Sm./Med./Large	Half Mile
						Gr. Home Res.	One-Mile
HD Historic District	None	None	None	None	None	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
HD-R Historic District Residential	None	None	None	None	None	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile
HD-MU Historic District Mixed Use	None	None	None	None	None	Sm./Med./Large	Half Mile
						Gr. Home Res.	One Mile

O&I Office and Institutional	5,000	30	10	5	30	Sm./Med./Large	None
						Gr. Home Res.	None
CB Community Business	6,000	30	10	6	30	Sm./Med./Large	None
						Gr. Home Res.	None
RB Regional Business	15,000	50	15	8	50	Sm./Med./Large	None
						Gr. Home Res.	None
CBD Central Business	None	K	None	None	None	Sm./Med./Large	None
						Gr. Home Res.	None
CS Commercial Services	7,500	35	15	7	35	Sm./Med./Large	None
						Gr. Home Res.	None
AI Airport Industrial	43,560	50	20	20	50	Care Facilities Not Allowed	
LM Light Manufacturing	None	50	35	20	50	Care Facilities Not Allowed	
HM Heavy Manufacturing	None	50	50	30	50	Care Facilities Not Allowed	

Family Care Homes, as required by State law, shall be located no closer than a one-half mile radius from an existing family care home within any single-family residential, MHP, HD-R, HD, HD-MU and MX districts, whether contiguous or not.

Adult Day Care centers shall be located no closer than a one-half mile radius from an existing family care home; group home supportive small, medium or large; or another adult day care center; and a one-mile radius from an existing, permitted group home residential, within any single-family residential, MHP, HD-R, HD, HD-MU and MX districts, whether contiguous or not.

house up to six special needs persons, with one or two resident supervisors; and Large Group Homes (Supportive) may house up to 10 special needs persons with one or two resident supervisors.

“Residential Group Homes” may house an unlimited number of people receiving care or supervision (based on building code requirements), but are not allowed to operate in single-family neighborhoods. These homes may or may not house persons with disabilities; they must obtain a special use permit; and they are required to maintain a one-mile separation from other group homes in the multi-family, historic and mixed-use districts. There are no separation requirements for any type of home in commercial zones.

Homeless advocates claim that any distance requirement violates the federal Fair Housing Act; but according to the City Attorney’s office, the process protects neighborhoods and at the same time complies with the Fair Housing Act and the Americans with Disabilities Act.

According to Fair Housing advocates, however, “One of the bedrock principles behind the Fair Housing Act’s protections for housing for people with disabilities is that the residents should be able to live in an integrated residential setting of their choice. However, this principle often has been defeated by municipal rules that require a certain amount of space between facilities (otherwise known as dispersion requirements). Most courts...have held that cities may not impose dispersion requirements on housing for people with disabilities.”¹⁰

“...’as a society, we have rejected spacing and density restrictions applied to families on the basis of race, religion and national origin,’ and thus similar restrictions on the basis of disability should be rejected as well. The Fair Housing Act protects people with disabilities to at least the same extent it does the other six protected classes.”¹¹

One of the greatest concerns for Wilmington (as discussed in a later section) is decreasing availability of land. As group homes are approved to operate within the city limits, there becomes a decreasing possibility of available sites within the half-mile and, in some cases, one-mile limit. At some point no additional homes will be allowed to operate in residential areas, at a time when the state mental health system in North Carolina will be releasing large numbers of disabled citizens back into the community.

According to Tara Larson, Assistant Director, N.C. Division of Mental Health/ Developmental Disabilities/and Substance Abuse Services, the state is supporting less congregate living facilities and more in-home support programs; but the state will **never** deny persons with disabilities their legal right to have their choice of housing options. “We want to see communities embrace persons with disabilities as a whole,” Larson said.¹²

Gary Dimmick, Director of the Greensboro office for the U.S. Department of Housing and Urban Development, questions the ability of cities to prove that ordinances such as Wilmington’s Care Facility Ordinance promotes fair housing. According to Mr. Dimmick, the HUD office in North Carolina takes a dim view of ordinances governing distance requirements, family size and supervision

¹⁰ Tennessee Fair Housing Council, Tennessee Department of Mental Health and Department of Mental Health and Developmental Disabilities, and the U.S. Department of Housing and Urban Development. A Place to Call Home. Second Edition. Fall 2002.

¹¹ *Ibid.* page 10.

¹² Larson, Tara. Forum on Mental Health Reform. June 9, 2003: Wilmington, North Carolina.

in group homes. HUD, however, is in the process of attempting to sort out their policies on such ordinances.¹³

In the City of Wilmington's Analysis of Impediments to Fair Housing in 1996, one impediment identified that was implemented during the past seven years was "the need for a greater emphasis on zoning of new residential areas...to allow for smaller lot sizes and higher-density development," to increase the development of more affordable housing units in newly-developing areas of the city. The bonus program, however, is voluntary, **not** mandatory for developers and, therefore, has not worked. According to City Planning officials, "the base density is high enough for suburban projects that developers do **not** need density bonuses to get to their desired density. The city does not have a track record at this time of how developers are taking advantage of the density bonus, since the city has had only two MX (mixed-use) projects."

The new Land Use Plan for the City of Wilmington, however, may drive more zoning changes and changes in development practices. The plan is scheduled to be completed in March 2004. It will provide important information on housing, neighborhood stability and land availability. Recommendations in the plan for multi-family housing could help to increase the availability of affordable housing within the city limits.

Historic Preservation vs. Affordable Housing

The City of Wilmington has four historic districts listed on the National Register of Historic Places and five local historic districts: the Theatre Historic District, the Residential Historic District, the Downtown Commercial Historic District, the Carolina Heights/Winoka Terrace Historic District, and the Market Street Mansion National Register Historic District. Land within the historic districts covers 2.34 square miles or 4.7 percent of the land within the city limits. See Map 1 for the location of the historic districts and expansion districts in Wilmington. The map also includes the location of Minimum Housing Code violations identified in April 2003.

The Wilmington Historic Preservation Commission protects the character of the historic districts by preventing changes that are incongruous to the districts as a whole. All Commission decisions on design changes are based on the "Wilmington Design Guidelines for Historic Districts and Landmarks" and standards set by the U.S. Department of Interior.

"The Commission shall apply the design guidelines to assure that the construction, reconstruction, alteration, restoration, moving or demolition of buildings, structures, appurtenant fixtures, outdoor advertising signs or other significant features of an historic landmark or in an historic district are congruous with the special character of the landmark or district. If it can be demonstrated that a guideline is not appropriate for the applicant's project, the Commission may find that the guideline does not apply. The commission interprets and applies guidelines on a case-by-case basis, taking into consideration any evidence submitted."¹⁴

While developers, contractors and rehabilitation specialists agree that they would like to retain and preserve the historic qualities of the inner city they also agree that those efforts are one of the major reasons that low-income families (especially elders) are being forced out of their homes. As one

¹³ Dimmick, Gary. "Building Communities Step by Step." NC Community Development Association Spring Conference, May 22-24, 2003. Wilmington, North Carolina.

¹⁴ City of Wilmington. Wilmington Design Guidelines for Historic Districts and Landmarks. March 16, 1999, p. 8.

rehabilitation specialist described the housing assistance program, “When you are putting an 80-year-old woman in a situation where she will have to repaint her entire house in three years, she’s not any better off than she was before we helped her. If the house is not repainted, in five to seven years it becomes dilapidated again.” The cost difference that results from government regulations in the historic districts has caused most affordable housing developers, such as Cape Fear Habitat for Humanity, Cape Fear Regional Community Development Corporation (CDC) and A.M.E. Zion Housing CDC, to limit construction or rehabilitation homes in those neighborhoods. See Map 1 for historic boundaries within the city limits and the location of federally funded new construction or housing rehabilitation projects for low- to moderate-income homeowners.

Following are some examples of the difference in cost for rehabilitating a house in the historic district.

Rehabilitation Activities	With Historic Preservation	Without Historic Preservation
Windows: vinyl windows are air-tight, insulated glass, and maintenance-free. Historic, wind-down windows are energy inefficient, require the addition of storm windows, must be painted and require significance maintenance. Specialized glass can be an added expense.	\$275 - \$325/window \$75 - \$85/storm window Maintenance cost	\$225 – 250/Window Little or no maintenance costs
Siding: vinyl siding is nearly maintenance-free; can be used to cover and preserve existing wood siding. Replacement or painting of historic wood siding requires replacement of “like kind”(may be difficult to find); requires paint; requires repaint and maintenance every three years; subject to termites.	\$5,000 - \$6,000 Maintenance cost	\$3,000 - \$4,000 Little or no maintenance costs
Roof: remove old roof, replace with plywood and asphalt shingles. If historic roof is a metal stand-seam, may be repaired but very risky after investing thousands of dollars to rehab the rest of the house.	\$10,000 - \$12,000 repair \$25,000 - \$30,000 replace	\$4,000 - \$5,000 to replace

Smaller items can also drive up the cost of rehabilitation and maintenance, such as doors. Regulations do not allow replacement but require that existing doors be repaired. This can also be energy inefficient.

According to developers who build new affordable housing in Wilmington, the cost of building a single-family home in a historic district can be \$5,000 - \$10,000 higher than building it outside the historic district. Cape Fear Habitat for Humanity, for example, considered purchasing land in the historic district for the purpose of constructing a new home. Due to restrictions regarding building materials and aesthetics, the cost of the house increased, and the homeowner would have to borrow beyond the original cost of the house to cover extra expenses. In addition, the materials would have required frequent maintenance the homeowner could not afford. Habitat had to abandon the project.

The Wilmington City Council attempted to rectify this issue in 2001 by providing \$300,000 of General Funds for grant assistance for historic preservation to low-income property owners participating in the

city's housing rehabilitation program. Grants, however, cannot exceed \$15,000 regardless of the additional costs associated with historic preservation regulations, and funds are quickly diminishing. Minimal maintenance grants are available to former program clients, but these may not be available to homeowners in the future. Also, the historic preservation and maintenance grants are not available for new construction or rehabilitation programs not administered by the city.

While historic neighborhoods are one of Wilmington's greatest assets, and historic preservation is designed to preserve neighborhoods, the design decisions that are implemented for houses and commercial buildings effect those who cannot afford to upgrade to historical standards and those who are disabled. This dilemma pits one government agency against another, over aesthetics vs. economics, while placing hardships on low- and moderate-income homeowners in the community.

Lead-Based Paint Hazard Control

Lead-based paint can be found in homes built before 1978, when it was banned for residential use, and it is very common in housing built before 1950. This includes almost all the homes rehabilitated using CDBG or HOME funds. In operating these programs we make the assumption that lead-based paint will be present, and take appropriate precautions to safeguard the health of occupants and workers.

Lead-based paint hazards are a tremendous problem in Wilmington due to the age of housing and increased protection from demolition of these older homes. About 58 percent of the City's housing stock was built before 1978. (See Table 8 – Profile of Selected Housing Characteristics.) This means that more than 22,000 units could be eligible for lead-based paint hazard control.

According to the New Hanover County Health Department, the two areas of greatest concern are Section 8 voucher rental housing and housing rented by underserved populations that do not qualify for public housing, such as the Hispanic community. These two groups do not always know the dangers of lead-based paint, and the owners of these type of properties are not always willing to participate in lead-based hazard control programs.

Once lead-based paint is identified in a home and the property owner is willing to implement controls, the cost to do something about the issue can be far more than the owner can afford. Although the City has set aside \$500,000 in general funds to pay for lead-based paint hazard controls, the program is only for those homeowners participating in the City's housing rehabilitation program. The average cost for hazard control has been \$5,000-\$7,000, which will quickly consume the funds available.

TABLE 8 CITY OF WILMINGTON “AGE OF HOUSING PROFILE” 2000*		
YEAR BUILT	NUMBER OF UNITS	PERCENT OF TOTAL UNITS
1970 to 1979	5,762	14.9%
1960 to 1969	4,696	12.2%
1940 to 1959	7,645	19.8%
1939 or earlier	4,546	11.8%
TOTAL	22,649	58.7%

Source: U.S. Census Bureau

* Census figures do not include areas annexed by the City of Wilmington in 1998.

Affordability and Availability of Land

The City of Wilmington covers 54.3 square miles. Approximately 63 percent is already developed, and some type of water covers 8 percent. According to Phase I of the City's Land Use Plan, Wilmington can only meet 38 percent of the demand for single family housing over the next 30 years, if it holds to the present growth rate.¹⁵ Under existing conditions and building philosophies, Wilmington is quickly running out of land to construct single-family homes, regardless of price or affordability. According to the City's Department of Development Services, Wilmington has leaned predominately toward single-family construction and away from multifamily, but the tax base can no longer support this philosophy. In order to increase the availability of housing, the City will need to promote the construction of duplexes and triplexes.

Even in New Hanover County, land is becoming scarce for single family and multifamily. A survey by Ingram, McKenzie and Associates, Inc., included 51 apartment complexes in New Hanover County. The survey showed that there have been approximately 1,800 multifamily units added in the county between 1999 and 2002. Such growth, however is not expected to continue, due to lack of available and affordable land, forcing developers to build more in surrounding counties. According to Bill McKenzie, "...this county may find itself demanding multifamily products over the next 10 years but unable to meet the demand. A number of factors are the cause, including; 1) a severe lack of land zoned for multifamily use; 2) the high cost of land already appropriately zoned and the resulting questionable feasibility; and 3) ever-increasing governmental restrictions that may delay or prohibit such development altogether."¹⁶

Both A.M.E. Zion CDC and Cape Fear Regional CDC have seen the cost of housing lots increase over the past decade from \$2,000 or \$3,000 per lot to \$12,000 and \$15,000. Affordable housing developers and organizations such as Habitat for Humanity are now paying as much as \$15,000 to \$25,000 for non-buildable lots. Without a subsidy from HUD or the City of Wilmington, agencies such as Habitat may not be able to construct housing within the city limits in the future. Even at these prices, set-back requirements sometimes make the lots non-buildable. As one moves out of the inner city, traditional requirements for platting and zoning have created large lot sizes at higher prices. Rezoning the larger lots for multi-family could decrease the cost of housing per unit.

PUBLIC POLICIES AND ACTIONS AFFECTING MUNICIPAL AND COUNTY SERVICES

The City of Wilmington provides municipal services, e.g., water, sewer, trash collection, etc.; and New Hanover County provides building inspections and human services, e.g., health, social services, public schools. Both the City and County provide planning, law enforcement, fire protection and recreation. Although many of these agencies do not provide housing, their services are either directly related to housing (provision of public utilities, code enforcement or housing inspections), or their policies and procedures demonstrate a trend among public officials for equal treatment of residents.

A survey of city and county officials indicates their efforts to make their customer service components as fair and as non-discriminatory as possible. Please see Appendix D for responses to the "Program and Services Checklist."

¹⁵ Freilich, Leitner & Carlisle Planning Works, LLC. Growth, Trends and Land Use Policy Assessment. Phase I, Draft Report, Version 2. May 9, 2003. Prepared for the City of Wilmington.

¹⁶ McKenzie, Bill. "Rents Remain Level While Multifamily Market Grows." Commercial Real Estate Quarterly. Vol. 3.7 August 2002: 6-7. Greater Wilmington Business.

Improvements in this area are witnessed by the fact that some city and county departments are making extra efforts to see that discrimination does not occur. In the City of Wilmington, for example, the Public Utilities Department has improved accessibility by qualified low-income elderly and disabled persons by providing discounted usage fees, connection fees and financing rates; and the Community Services Department has strengthened the link between Code Enforcement and housing assistance programs to increase opportunities for low-income families to retain their homes.

In New Hanover County, “policies and procedures are reviewed on an on-going basis, and appropriate action is taken to ensure that the county’s programs address the needs of all citizens without regard to race, color, religion, national origin, age, sex, financial status or disability.” Some county agencies, e.g., Social Services keep their offices open until 6 p.m. on certain days and are considering opening satellite offices to better serve the community.

Impact Fees

In January 2002, the city of Wilmington changed their method for calculating impact and connection fees from the type of structure to the size of the meter. Prior to this, individuals could receive credits based on the type of structure, number of bedrooms or square footage. Discounts and financing were available to low income individuals and elders. The connection fee policy was revised to provide a 4 percent loan over five years, with no down payment to elders and persons with disabilities who make less than \$18,000 per year. There are no waivers or discounts for impact fees, but these fees do not apply to inner-city property where there is an existing building. The average cost of a one-inch line is \$6,778. Developers of affordable housing report that the average fees for new single family housing within the inner-city are costing approximately \$5,000.

According to Utility personnel, Community Development Block Grant funds were used years ago to pay connection and impact fees on undeveloped property. Today CDBG funds are being used for infrastructure at Jervay (Hope VI, public housing) and construction or rehabilitation of public facilities such as the Good Shepherd Day Shelter for the homeless. According to the Wilmington Housing Authority, until construction was started on Jervay, fees were not charged to the Housing Authority. For Jervay, the charges were \$1,670 per unit for sewer and water and a connection fee of \$110 per unit for 118 units, for a total of \$208,860. The project, however, received a credit for impact fees of \$72,800 for a net of \$136,060.

The City provided a \$100,000 grant to Good Shepherd for the construction of the day shelter, \$25,000 of which was spent on city connection and impact fees. See appendix E for a detailed “Water and Sewer Fees Schedule.”

ADMINISTRATIVE POLICIES CONCERNING COMMUNITY DEVELOPMENT AND OTHER HOUSING ACTIVITIES RECEIVING FEDERAL, STATE OR LOCAL FUNDING

City of Wilmington's Community Development Block Grant (CDBG) and Home Programs

The Community Development Division has three housing specialists who staff housing programs funded through CDBG, HOME, funds remaining from prior federal programs and General Funds. These programs are:

- Housing Ownership Pool Loan Program (HOP)
- Homeowners Housing Rehabilitation Loan Program
- Lead-Based Paint Hazards Grant Program
- Historic Preservation Grant Program
- Emergency Relocation Program
- Rental Rehabilitation Program

The Division recruits program applicants by using a variety of methods such as advertisements, direct mail, speaking to churches and civic groups, and distribution of posters and brochures. Written material includes the appropriate logo and language referring to "Equal Housing Opportunity" or "Equal Housing Lender." The City requires that those who receive funds through the home loan programs are aware of Fair Housing laws.

The Division also works closely with the New Hanover Human Relations Commission and participates in the annual Housing Summit, held each year during Fair Housing Month. The conference features speakers on discrimination in housing and housing programs that are available in the Wilmington area. City Staff attend numerous community activities during the year to advise citizens about available housing issues. The Division's housing brochure and the HOP application were translated into Spanish.

The housing staff works closely with area banks and mortgage companies to ensure that potential homebuyers are informed about affordable home-mortgage products as well as the City's home loan programs. This program is effective giving both low- and moderate- income and minority homebuyers fair access to an affordable home mortgages and decent housing in a variety of neighborhoods.

The staff also works closely with appraisers and insists upon fair-market appraisals of land and homes involved with all of the City's home-loan programs. The Division requires that non-profit, affordable-housing developers who work with the City insist upon fair-market appraisals on all properties they acquire.

According to Division staff, impediments that affect the success of the program include citizens not understanding program guidelines, citizens fearing the program because of its link with the government, and conflicting federal regulations. Additional problems for staff and low-income families are the enforcement of lead-based paint regulations without additional federal funding, historic preservation issues, and the difficulty of maintaining a house because of historical restrictions.

Developers and Non-Profits Who Receive Federal, State or Local Funding for Housing Activities

The City of Wilmington provides (or has provided in the past) funding for the following agencies to provide affordable housing within the city limits:

- A.M.E. Zion Housing Development Corporation
- Cape Fear Regional Community Development Corporation
- Harbor Foundation
- Wilmington Housing Finance and Development, Inc.
- Habitat for Humanity
- Good Shepherd
- Wilmington Housing Authority
- First Fruit Ministries
- Volunteers of America of the Carolinas – Willow Pond
- The NRP Group, Inc.

Historically, agencies receiving funds from the city for construction or rehabilitation of housing have concentrated those efforts in low-income neighborhoods. One reason has been the lower cost of land and the availability of “free” lots given to some of the agencies by the city. These efforts, however, have made it extremely difficult to sell housing constructed in low-income neighborhoods, as witnessed by the annual reports from these agencies. HUD has also indicated to city staff the need to disperse affordable housing throughout the city and not concentrate it in low-income neighborhoods.

In discussing the impediments to fair housing with local non-profit agencies, the major issues identified were affordability, availability, restrictions dealing with the historic districts and zoning.

Affordability is not only seen as a problem with citizens, but also with non-profit agencies. Many of these agencies are not able to help citizens rent, buy, build, obtain loans or mortgages, because the property is too expensive for low- to moderate-income individuals. When there is a lack of affordable property to buy, this hinders the non-profits from putting their resources together to help someone obtain a residence.

Availability is also seen as a problem. According to the non-profits who attempt to provide affordable housing, there is an abundance of real estate in the Wilmington area, yet there is little for low- to moderate-income individuals. Usually, the property that is available is in the inner city. Many families do not want to live in those areas for fear of crime, violence, and social problems.

As noted in previous sections, there are many restrictions when building or renting a house in a historic district. Individuals are unable to make the appropriate changes or repairs to their house because of the expense when doing so.

According to a non-profit representative, who asked to remain anonymous, the City Council has arbitrarily enforced zoning and special use ordinances. (See the section on “Public Policies and Actions Affecting the Approval of Sites and Other Building Requirements Used in the Approval Process for the Construction of Housing: Zoning Regulations.”)

A recently revised city ordinance governing care facilities requires a separation of residential care facilities and family care facilities of one-half mile, which prevents individuals with disabilities from living where they desire, according to the service providers. It also requires supervision of individuals living in certain group homes, and limits the number of non-family members according to zoning

district and type of facility. A representative of the provider community said she felt the Council (when approving the latest changes) showed a lack of compassion when making the final decision on the care facilities ordinance. She and other agencies “worked hard for a positive relationship with the city staff,” she said, “and we feel that the relationship has been damaged.”

Non-Profits Receiving Continuum of Care or Emergency Shelter Grants

The following Wilmington area agencies receive (or have received in the past) funding from HUD for transitional housing or homeless shelters. Input from these agencies is addressed throughout the Analysis.

- Domestic Violence Services – Emergency Shelter
- First Fruit Ministries – Transitional Housing
- Good Shepherd Ministries – Fourth Quarter and Ashley Memorial Center
- Good Shepherd Ministries – Day Shelter
- Salvation Army – Emergency Shelter
- Volunteers of America of the Carolinas at Willow Pond
- Wilmington Housing Authority – Hopewood (Shelter Plus Care)
- Wilmington Interfaith Hospitality Network – Emergency Shelter

The Tri-County Homeless Interagency Council submits recommendations to HUD for funding of these programs. The recommendations are based on the annual Point-in-Time Survey of homeless individuals and the Gaps Analysis for programs serving the homeless. (See Appendix E.) The Gaps Analysis for the past XX years has shown an additional need for transitional housing in the Wilmington area.

Wilmington Housing Authority

The number of traditional public housing units owned by the Wilmington Housing Authority (WHA) substantially decreased between 1990 and 2000 from 1,666 to 1,416 due mainly to the demolition of the Hope VI Project, Jervay. Once construction is completed at the Jervay site and Dove Meadows, there should be a substantial increase in public housing, including units available for homeownership.

The following public housing developments are located within the city limits (see Map 2):

Creekwood South
714 Emory Street

Hillcrest
1402 Meares Street

Houston Moore
1601 S. 13th Street

Nesbitt Courts
1402 2nd Street

Rankin Terrace
410 N. 11th Street

Solomon Towers
15 Castle Street

Taylor Homes
1302 N. 5th Street

Vesta Village
1902 Manhattan Street

Section 8, rental vouchers, increased between 1999 and 2000, but the number of vouchers awarded to the Housing Authority by HUD is far less than the demand. As of June 2003, there are 1,768 families on the Section 8 waiting list. WHA usually has a 97 percent occupancy rate with the voucher program. According to WHA officials, "it is currently a renter's market. Families that are issued vouchers are not having any problem finding rental units to put under the program." The Housing Authority is hoping to begin the Section 8 Homeowners Voucher program in 2003. This program should help low-income families become first-time homeowners.

In addition to the tremendous waiting list for vouchers, the move from public housing or transitional housing to Section 8 can be an economic burden for low-income families. In public housing, utilities were all inclusive in a rent that never exceeded 30 percent of the family's income. In Section 8, the 30-percent guideline remains the same, but it no longer includes utilities. In some cases there may be a small utility stipend, but the addition of utility payments in a city whose "Utility Index" is higher than Charlotte, Charleston or Raleigh can be a surprise for families who have never paid for utilities.

HISTORICAL INCIDENCES THAT CONTRIBUTE TO CURRENT PATTERNS OF SEGREGATION AND SPATIAL ISOLATION

Over 150 years ago, the section of North Fourth Street, south of the railroad tracks, was considered downtown Wilmington and was predominately white. The section from the railroad north was known as Brooklyn. After the Civil War, Brooklyn was a predominately African American community, but there were some streets occupied by white merchants and residents. On North Fourth Street, there were many commercial structures, both large and small, occupied and operated by Jewish, Syrian, Greek, Chinese, German and Scotch-Irish merchants. This was Wilmington's "melting pot," where many people of various racial, religious and cultural backgrounds mingled to work and live.¹⁷

Following World War II, the "boom" period came to an end for the entire city. Due to the disappearance of many war industries and a slowdown at the formerly busy port, the Brooklyn section began its decline with a long period of "going out of business" signs and the departure of some of the older families. Suburban sprawl was underway, and people began moving from "the river to the sea," as new neighborhoods were developed.¹⁸ Today, the railroad tracks are just a memory, as passenger railroad service has become extinct in Wilmington.

The Northside is comprised mainly of low-income, modest single-family, owner-occupied houses dating from the early 1800's onward. Fifth Avenue is especially known for its moderate to large historic homes. In 1985, this area was part of a neighborhood revitalization project. Since then, several new homes have been constructed and many more have been rehabilitated through private funding or

¹⁷ Wrenn, Tony P. Wilmington, North Carolina: An Architectural and Historical Portrait. Charlottesville: University Press of Virginia, 1984. 113-117.

¹⁸ Wrenn.

the city's homeowner rehabilitation program, but many still continue to deteriorate. The Northside neighborhood is included in census tracts 101 and 114. The percent of low- to moderate-income residents living in the area is 66.3 and 84.6 percent respectively. The area remains a predominately minority neighborhood with a 77.6 percent African American and Hispanic population in Census Tract 101 and 96.5 percent in Census Tract 114.

The history of the Brooklyn (Northside) area is only one example of segregation and spatial isolation in Wilmington; but as the Fair Housing Taskforce noted, once there is a history of segregation, it is hard to break it. It is difficult, therefore, to determine if public policy decisions have caused the inner-city neighborhoods to continue to display segregated patterns for decades, or if this is a self-imposed barrier. The attached Map 3 shows the percent of minority concentrations by census tract.

In noting historical incidences that have contributed to segregation and spatial isolation, it would be remiss not to mention the political changes and riots of 1898.

"The white-supremacy campaign of 1898 culminated in the overthrow of the Fusionist in North Carolina, the riot in Wilmington, and the complete destruction of the Republican party in Wilmington and New Hanover County. The riot in Wilmington marked the beginning of a new political era in North Carolina...an era in which the black voter was removed from the political process."¹⁹ Many Wilmington residents (African American and white) cannot forget nor let go of this historic event, which continues to impact life in this otherwise quite, seaport community.

"...in 1998, there were still reasons for both races to be optimistic. One hundred years after the Wilmington Racial Massacre, a broad movement within the port city expressed the yearning for peace, and the longing to make the promise of American democracy into reality."²⁰

"Beneath the peaceful exterior, Wilmington also remained a city with serious problems. With 1998 fast approaching, concern with the possibility of violence eventually helped to spark interest in a proposal for a one-hundred year centennial observance to mark the tragedy that had occurred in 1898."²¹ Part of this proposal included a monument, to be placed in or near the Northside neighborhood, commemorating the events of 1898.

"...Driving its force from the grassroots level of participation within the community, the centennial movement attempted to accomplish the kind of cultural and spiritual reconciliation that had been missing in Wilmington since the 1960's...In the spring of 1999, Wilmington became one of four U.S. cities honored by the National League of Cities to receive a Cultural Diversity Award."²²

Today that movement plays a major roll in attempting to revitalize neighborhoods such as the Northside. The monument is expected to be part of an 1898 park at the entrance to the city from Martin Luther King, Jr., Parkway and the Isabel Holmes Bridge.

¹⁹ McDuffie, Jerome Anthony. Politics in Wilmington and New Hanover County, North Carolina, 1865-1900: The Genesis of a Race Riot. Kent State University, 1979. 814.

²⁰ Godwin, John L. Black Wilmington and the North Carolina Way. University Press of America, Inc. Lanham, Maryland, 2000. 297.

²¹ Godwin

²² Godwin 298.

REAL ESTATE COMMUNITY

According to the 2000 Census, 12 of 25 census tracts in Wilmington have predominately rental housing. They are as follows:

Census Tracts	Percentage Rental Housing
101	57.09
10501	87.70
10502	70.51
107	81.92
108	59.12
110	72.3
111	60.77
112	59.59
113	79.04
114	69.71
11901	57.45
11902	53.38

Map 2 shows that the census tracts with the majority of rental housing are located in the inner city or near the university. The rental vacancy rate was 11 percent in April 2003. Realtors consider this a soft market, where housing is readily available. Low mortgage rates have caused an increase in homeownership but also an increase in available rental units.

While rental units may be available in Wilmington, they are not necessarily available to low- and moderate-income families. According to HUD the fair market rent for the Wilmington Metropolitan Statistical Area is \$649. In *The Apartment Finder* for June 2003, rents range from \$350 to \$1,285. A three-bedroom unit averages \$788; a two-bedroom averages \$635. Many of the higher-priced units are in the inner city; but prices are higher, because they are also in the historic district. Other cost that have driven up the price of rental units, according to Donna Bolewitz, owner of *The Apartment Finder*, are water and sewer (which are the highest in the state), increase in the cost of trash pickup, and high insurance rates—all of which are generally passed on to renters.

Likewise, the cost of purchasing a home makes homeownership even less of a reality for low- and moderate-income families. According to HUD, the average cost of a home in 2000 was \$128,000—more than double what it was in 1990. Even low interest rates are not an incentive without additional programs such as down payment assistance. As with rental housing, the cost of impact and connection fees, and architectural restrictions in the historic districts have driven up the cost of construction or rehabilitation of housing.

The lack of mass transportation has also limited areas where individuals without cars or persons with disabilities can live. This makes housing one of the crucial components of economic development in the community.

The cost of living in Wilmington and New Hanover County is high, as shown in Table 9, but salaries are less due to the lack of good paying jobs. The housing index for Wilmington is higher than Charlotte, Raleigh, Charleston, Richmond, and even Atlanta, making it even more difficult for low- and moderate-income families to access housing.

TABLE 9
COST OF LIVING SURVEY

CITY	CITY COMPOSITE INDEX	GROCERY INDEX	HOUSING INDEX	UTILITIES INDEX	TRANS- PORT INDEX	HEALTH- CARE INDEX	MISC. GOODS & SVCS. INDEX
Wilmington	101.6	99.9	112.9	96.1	90.4	98.4	98.0
Asheville	102.1	96.1	117.5	94.9	96.0	98.5	95.7
Atlanta	97.9	99.6	92.3	95.2	100.4	109.7	100.6
Charlotte	96.2	99.5	88.9	90.8	98.4	95.4	102.5
Charleston	99.0	100.4	99.5	93.8	95.9	103.8	99.7
Raleigh	98.7	105.1	95.8	90.6	102.9	93.9	100.3
Richmond	100.4	107.3	92.8	107.5	98.6	89.6	103.9
Washington	134.4	106.9	188.3	108.1	119.5	128.9	111.7

Source: ACCRA Cost of Living Index, Wilmington Chamber of Commerce (100=National Average)

Even more alarming is the Living Income Standard (LIS) for New Hanover County. According to The North Carolina Justice Center, the amount needed to achieve a basic standard of living in the Wilmington area, in 2003, for a family with two adults and two children (infant and preschool), is \$39,300 per year.

“Despite all the growth and all the new, high tech businesses, despite microscopic unemployment rates and aggressive efforts to move people from welfare to work, more than a third of North Carolinian households today are struggling to pay for their most basic needs. These families do not earn enough to pay for a modest apartment. They do not earn enough to afford decent childcare. They face impossible choices (groceries or shoes? the electric bill or a doctor visit? rent or fixing the family car?) on an everyday basis. In short, these families do not earn a living income. To add a final measure of insult to injury, they are working more than ever before and their real average wages are lower than they were twenty years ago.”²³ See Table 10 for detailed information on the LIS for New Hanover County.

Fair Housing Rental Audits

While housing may be readily available in Wilmington, discrimination issues may contribute to the lack of available housing for certain sectors of the community. According to the New Hanover County 2000 Fair Housing (Rental) Audits, there appears to some discrimination in the Wilmington housing market based on race, national origin, and (especially) disabilities. Family status, however, did not appear to be an issue. The audits were limited in scope and over three years old. A more extensive, updated audit could provide more viable data.

According to local realtors, there is no “steering” taking place in Wilmington, e.g., no directing of protected classes into certain neighborhoods and away from others. Renters of large properties are aware of the law and make an effort to follow it, Bolewitz said.

²³ Schmidt, Sorien K. and Gerlach, Dan. Working Hard is Not Enough. January 2001. North Carolina Justice and Community Development Center and NC Equity.

LENDING INSTITUTIONS

HMDA Data Analysis

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress and implemented by the Federal Reserve Board's Regulation C. The public loan data can be used to determine whether financial institutions are serving the housing needs of their communities, and to identify possible discriminatory lending patterns.

Using the loan data submitted by various financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate and disclosure reports for each metropolitan statistical area (MSA) which are available to the public at a central data depository located in each MSA.

The Community Reinvestment Association of North Carolina completed a study of lending institutions based on the 2001 loan application records of HMDA data and Community Reinvestment Act (CRA) Disclosure Reports for the Wilmington MSA, including Wilmington, New Hanover and Brunswick counties. The study evaluated the performance of financial institutions in lending to minority and low-income borrowers in compliance with the CRA and was limited to applicants for single-family mortgages (one-to-four units) for home purchase, refinancing and home improvement loans. The study included both conventional and government insured loans, and both owner-occupied and non-owner occupied units. The study did not include loans purchased rather than originated by the institution. The study focused on lending to African American and white borrowers at various income levels. Other protected classes were not included in the report, because of the small number of applicants of other races and of Hispanic origin.

Summary of the HMDA Analysis

"In terms of total mortgage lending statewide, the Wilmington MSA is the fifth largest market in terms of total number of loans originated and the total amount loaned. Within the MSA, BB&T has the largest market share in terms of total lending; and Bank of America, RBC Centura Bank and Wachovia Bank are all top ten lenders in terms of total market share. The State Employees' Credit Union is the seventh largest lender in the market. Mortgage companies occupy the other top ten spots, with Wells Fargo the second largest mortgage lender in Wilmington.

"In the Wilmington MSA, all lenders dedicated an average of 10.5 percent of the total amount loaned to low- and moderate-income borrowers, but only 2.7 percent of the total loan amount to African American borrowers. African American applicants were nearly three times more likely to be denied a mortgage loan than white applicants.

"The rankings, according to performance indicators, suggests that sub-prime lenders are doing a better job reaching the African American and low-income markets in Wilmington. The highest ranked bank is Security Savings Bank, based in Southport, which is ranked third, according to the performance indicators."²⁴

²⁴ Analysis of 2001 Mortgage, Small Business and Small Farm Lending in Wilmington MSA. June 2003. Community Reinvestment Association of North Carolina, Raleigh North Carolina.

“While the analysis alone cannot prove the existence of discriminatory or non-compliant practices, the indicators can be used to identify possible patterns of racial discrimination in the pre-application stage and the loan decision-making process.”²⁵

The Fair Housing Taskforce determined the following four items may be responsible for possible patterns of discrimination:

- The public is not being educated on available products from major lending institutions;
- The fine print with such products disqualifies many borrowers;
- Sub-prime lending institutions are doing more aggressive marketing than the prime institutions, therefore, people are paying higher interest rates than are necessary; and
- Most low-income families do not feel comfortable in the atmosphere presented by banks and other prime lenders and, therefore, gravitate toward higher-interest institutions that make them feel more welcomed. This creates a financial burden for those families and paves the way for predatory lending.

Copies of the study conducted by the Community Reinvestment Association of North Carolina are available at the City of Wilmington, Department of Community Services, 305 Chestnut Street, Wilmington, North Carolina, 28402.

²⁵ Ibid.

IMPEDIMENTS TO FAIR HOUSING CHOICES

The Fair Housing Task Force identified the following impediments to Fair Housing choices for the City of Wilmington.

Resources – General

- The main impediment to Fair Housing in Wilmington is FEAR, especially among groups that are or perceive themselves to be disenfranchised. People who feel they have been discriminated against in the housing, real estate or lending industry are afraid to report it to the proper authorities; people who do not have the necessary information on housing are afraid to ask; and the presence of NIMBYism (Not In My Back Yard) is created and driven by fear.
- There are barriers between the agencies that have housing information and people who need it. Although information may be available, in English, through the Internet, on government television, in newspapers and brochures, the people who need this information the most may not have access to any of these media, or they may not speak English. The source that is most readily available to them is the churches—a resource that is not easily linked to the agencies providing the information.
- The agencies that serve disenfranchised groups the most lack information on affordable housing programs and opportunities.
- Literacy is a barrier as evidenced by the fact that 28 percent of the population in the Wilmington area has no more than a fifth grade education—making the disbursement of information on affordable housing more challenging.
- Language, for those who have limited speaking abilities, is a barrier because of the lack of interpreters to speak or read available materials. This is true not only with languages such as Spanish, Arabic or Chinese, but also for people who may be deaf or blind.

Public Policies

- Transportation is a barrier to affordable housing, because many disabled or low- to moderate-income people need public transportation for access to jobs; and they need jobs to pay for housing. Public policy decisions on routes and time schedules make it difficult, sometimes impossible, for people to live in neighborhoods where housing is available.
- The decision of government and business to limit business hours, also limits the availability of those services. Many people seeking affordable housing or fair housing information need to access information and services at night and on weekends.

Boards and Commissions

- There is a lack of knowledge in the general community of the functions of boards and commissions, when vacancies are available, and qualifications for new appointees. There is also a lack of training specific to boards, even after individuals are appointed.

- There is a lack of diversity on City boards and commissions. Part of this is due to a lack of outreach to the community, and lack of flexibility for meeting schedules and terms of the members. Legal issues may limit diversity.

Planning and Zoning

- Although a density bonus program was implemented in Wilmington, it is voluntary, not mandatory, and is not helping to increase the development of affordable housing the way officials and concerned citizens hoped it would.
- The distance requirement in the Care Facilities Ordinance is an impending impediment. If at some point no more small, medium or large group homes can be built in residential areas due to the half-mile distance, persons with disabilities will be limited to living in commercial and multi-family neighborhoods. There is a potential here to create “redlining.”
- Regulations for the preservation of historic districts were created without regard to affordability for construction, rehabilitation or maintenance. Funding from the City of Wilmington is minimal and is limited to houses being rehabilitated through the Community Development Block Grant program. Other residents and potential residents will be priced out of the market. There is a potential for their homes to become extremely dilapidated, or the residents will have to move to a more affordable area. The regulations concentrate on structures not cultures—creating gentrification.
- Availability of affordable land is already an impediment in Wilmington. Availability of land, regardless of affordability, is gradually becoming an impediment, especially for construction of single-family homes.

Lead-Based Paint Hazard Control

- The cost of implementing hazard controls for lead-based paint can be far higher than property owners can afford. This is forcing some landlords to remove their property from the Section 8 rental program and to rent to families without disclosing that lead-based paint could be a hazard.
- Many homeowners and contractors are unaware of the problems with lead-based paint or do not take the issue seriously.

Impact and Connection Fees

- Implementation of impact fees for the City of Wilmington does not take into consideration the need for affordable housing.
- Fees are based on the size of the line being installed, not the value of the house or whether it is being constructed by a non-profit for low-income families. Developers of affordable housing, therefore, are paying a higher percentage of their project for fees than developers of high-income housing.

Community Development Block Grant (CDBG) and HOME Programs

- Most of the low- to moderate-income families and individuals in Wilmington are not aware of the housing programs available through the City’s Community Development Division. Very little marketing on city programs is in Spanish or is directed to persons with disabilities.

- The CDBG and HOME funds cannot be spent outside the city limits, even though there is more land and more affordable land, and more HUD foreclosed are properties available in those areas.

Non-Profit Organizations Providing Housing

- Most believe the City arbitrarily enforces ordinances, preventing protected classes from having fair housing choices within the city limits.
- Other impediments identified by this group (affordability, availability, transportation, safety) are listed under their respective categories.

Public Housing

- The demand for Section 8 housing vouchers far exceeds the supply provided by HUD.
- The lack of energy efficient public housing is a cost burden on the Housing Authority and Section 8 renters.
- Families are often not prepared to pay high utility costs when moving from public housing to Section 8. This may cause a long-term problem for those families who cannot maintain payments and drop out of the program.

Patterns of Segregation and Spatial Isolation

- There are self-imposed barriers that limit the development of mixed neighborhoods. These appear to be based on cultural priorities and desires.
- There is a perception by the public of “high crime” (right or wrong) in some neighborhoods, making it difficult for developers to sell affordable housing in those areas.

Real Estate

- The cost of living, the Living Income Standard and low-paying jobs in the Wilmington area is an impediment for low- and moderate-income families to afford housing, especially homeownership.
- There is a lack of transitional housing for the homeless, victims of domestic violence and the homeless.
- As the State of North Carolina begins to release disabled patients from state institutions into the community, there will be a lack of emergency housing. There is also a lack of emergency housing for victims of domestic violence.
- There appears to be discrimination within the rental market based on race and national origin, and especially for persons with disabilities.
- Other impediments identified by this group (affordability, availability, transportation) are listed under their respective categories.

Lending Institutions

- There appears to be some racial discrimination among the prime lenders in the Wilmington MSA.

- Information is not readily available on products for low- and moderate-income families; and there is no bi-lingual marketing.
- Restrictions on most products disqualify low- and moderate-income families.
- Sub-prime lending institutions are doing more aggressive marketing than the prime institutions, therefore, people are paying higher interest rates than are necessary.
- Most low-income families do not feel comfortable in the atmosphere presented by banks and other prime lenders and, therefore, gravitate toward higher-interest institutions that make them feel more welcomed. This creates a financial burden for those families and paves the way for predatory lending.
- There is a lack of experience with banks and lending institutions in the low- and moderate-income community.
- There is very little diversity among the individuals serving the public in lending institutions.

MAPS

- A. MINIMUM HOUSING CODE VIOLATIONS AND HISTORIC DISTRICTS
- B. HOUSING TENURE BY CENSUS TRACT
- C. RACE PERCENTAGES BY CENSUS TRACT

APPENDICES

APPENDIX A FAIR HOUSING SURVEY

1. Where do you live?
 1. City of Wilmington 283
 2. New Hanover County 286
 3. Other 10
2. Are you:
 1. A housing provider (landlord, real estate broker, property manager) 6
 2. A tenant in public housing (not including Section 8 Existing Housing Program) 96
 3. A tenant renting from a private landlord or apartment complex 101
 4. A private homeowner 39
 5. Other 43
 6. Unanswered 11
 - 2a. If you are a housing provider, where is the property that you own or manage located?
 1. City of _____
 2. County of _____
 3. Other _____
3. Of the issues facing our community, which do you think are most pressing right now? Please select no more than five.

39
150
211
80
22
72

92
104
167
91
4. Please answer the following questions True or False.
 1. I believe I have been illegally discriminated against while attempting to obtain rental housing.

True 30
 False 248
 Unanswered 18
 2. I believe I have been illegally discriminated against while attempting to purchase a home.

True 19
 False 255
 Unanswered 22

3. I believe I have been steered to a particular area or neighborhood because of my race.

True 41

False 235

Unanswered 20

4. I have had difficulty obtaining homeowner's insurance.

True 32

False 231

Unanswered 33

5. I have had difficulty obtaining a mortgage loan or a home improvement loan from a bank.

True 69

False 197

Unanswered 30

6. I am often uncomfortable when I go into a bank.

True 56

False 221

Unanswered 19

7. I would rather do business with a pawnshop or check cashing service than a bank.

True 43

False 233

Unanswered 20

8. I am satisfied with the overall quality of my neighborhood (schools, crime rate, appearance, convenience, etc.).

True 154

False 123

Unanswered 19

9. (FOR RENTERS ONLY) I would like to own a home but I can't right now.

True 188

False 28

Unanswered 80

5. Do you know what fair housing means?

Yes 216

No 62

Unanswered 16

6. Name three things that you would like to see done locally to improve housing availability.

1. Affordability;

2. Availability; and

3. Transportation/extending bus lines to other areas of the community.

7. The main housing problems I can think of are:

1. Affordability;

2. Availability;

3. Transportation/extending bus lines to other areas of the community;

4. Crime and social problems in the housing developments; and

5. Interior/exterior upkeep of properties.

8. Please tell us a little about yourself:

1. Race

White	<u>121</u>
African American	<u>150</u>
Other	<u>9</u>
Unanswered	<u>16</u>

2. Number of children under 18:

None	<u>133</u>
One	<u>65</u>
Two	<u>47</u>
Unanswered	<u>51</u>

3. Sex

Female	<u>196</u>
Male	<u>80</u>
Unanswered	<u>20</u>

4. Does anyone in your house have a disability?

Yes	<u>92</u>
No	<u>180</u>
Unanswered	<u>24</u>

Some of the comments included in the survey on questions 6 and 7 were:

- “Improve housing conditions.”
- “Crime rate in development is high.”
- “Provide accessibility to stores and bus line.”
- “Increase the amount of houses available.”
- “Lower payments for renters and buyers.”
- “Not enough places outside of public housing for low-income families to live nicely and decently.”

APPENDIX B
NEW HANOVER HUMAN RELATION COMMISSION
FAIR HOUSING ADVERTISEMENT
AND
BROCHURE

APPENDIX C
CITY OF WILMINGTON
CARE FACILITIES ORDINANCE

APPENDIX D

PROGRAM AND SERVICES CHECKLIST

Discrimination is prohibited on the basis of race, color, religion, national origin, age, sex, familial status and disability.

Departments responding to the survey included the City of Wilmington: Community Services, Management Services, Human Resources, Purchasing, Fire, Police, Public Utilities, Public Facilities, and Parks and Recreation; and New Hanover County: City Manager, Building Inspections, Social Services, Health, Human Resources, Environmental Management and Planning. **Departments who were contacted but did not respond include the City of Wilmington Development Services and Finance Departments; New Hanover County Schools.**

Do all qualified persons receive services or benefits under this program or activity regardless of protected status?

City	County
Yes <u> 8 </u>	Yes <u> 6 </u>
No <u> 0 </u>	No <u> 0 </u>
N/A <u> 1 </u>	N/A <u> 1 </u>

Do all qualified persons have the opportunity to participate in this program or activity?

City	County
Yes <u> 8 </u>	Yes <u> 4 </u>
No <u> 0 </u>	No <u> 0 </u>
N/A <u> 1 </u>	N/A <u> 3 </u>

Are there any rules, policies or procedures that restrict qualified persons access to or enjoyment, advantage or privilege of benefits or services?

City	County
Yes <u> 1* </u>	Yes <u> 1** </u>
No <u> 7 </u>	No <u> 5 </u>
N/A <u> 1 </u>	N/A <u> 1 </u>

Are there any site selection criteria for housing or facilities that have the effect of denying participation, services, or benefits to qualified persons or which impairs the objectives of the program or activity?

City	County
Yes <u> 1* </u>	Yes <u> 0 </u>
No <u> 5 </u>	No <u> 6 </u>
N/A <u> 3 </u>	N/A <u> 1 </u>

Have any effects of past discrimination on the program or activity been identified and corrected?

City	County
Yes <u> 2*** </u>	Yes <u> 0 </u>
No <u> 4 </u>	No <u> 4 </u>
N/A <u> 3 </u>	N/A <u> 3 </u>

Are methods of administration used which ensure qualified persons the opportunity to participate and do not impair the objectives of the program or activity?

City	County
Yes <u> 8 </u>	Yes <u> 5 </u>
No <u> 0 </u>	No <u> 0 </u>
N/A <u> 1 </u>	N/A <u> 2 </u>

Are qualified persons treated differently in criteria for admission, enrollments, eligibility, membership, etc., necessary to receive benefits or services?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>6</u>
N/A <u>1</u>	N/A <u>1</u>

Are qualified persons offered the opportunity to participate as a member of a planning or advisory board, which is an integral part of the program?

City	County
Yes <u>6</u>	Yes <u>5</u>
No <u>1*</u>	No <u>0</u>
N/A <u>2</u>	N/A <u>2</u>

Are qualified persons subject to segregation or separate treatment in receipt of benefits or services?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>5</u>
N/A <u>1</u>	N/A <u>2</u>

Is significant assistance provided to beneficiaries of this program or activity who are discriminated against?

City	County
Yes <u>1</u>	Yes <u>0</u>
No <u>6</u>	No <u>2</u>
N/A <u>2</u>	N/A <u>5</u>

Are qualified persons provided with the opportunity to participate in this program or activity as employees?

City	County
Yes <u>6</u>	Yes <u>6</u>
No <u>1</u>	No <u>0</u>
N/A <u>2</u>	N/A <u>1</u>

Is the institution or program under investigation or been found to have been in violation of any fair housing or equal employment opportunity laws during the last five ears?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>6</u>
N/A <u>1</u>	N/A <u>1</u>

Does the institution affirmatively market its program?

City	County
Yes <u>8</u>	Yes <u>5</u>
No <u>0</u>	No <u>0</u>
N/A <u>1</u>	N/A <u>2</u>

Is a qualified buyer or renter denied a dwelling based on the disability of the buyer or renter or other persons eligible to reside in a dwelling after it is sold, rented or made available?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>5</u>	No <u>4</u>
N/A <u>4</u>	N/A <u>3</u>

Are services, programs, or activities administered in an appropriate integrated setting?

City	County
Yes <u>8</u>	Yes <u>6</u>
No <u>0</u>	No <u>0</u>
N/A <u>1</u>	N/A <u>1</u>

Are qualified persons afforded the opportunity to participate in this program or activity that are not separate or different despite the existence of permissibly separate or different programs or activities?

City	County
Yes <u>7</u>	Yes <u>5</u>
No <u>0</u>	No <u>0</u>
N/A <u>2</u>	N/A <u>2</u>

Are there procedures which ensure that the administration of licensing or certification programs or the establishment of requirements for the programs or activities of licensees or certified entities do not subject qualified persons to discrimination?

City	County
Yes <u>7</u>	Yes <u>5</u>
No <u>0</u>	No <u>0</u>
N/A <u>2</u>	N/A <u>2</u>

Are reasonable modifications in policies, practices, and procedures made when necessary to avoid discrimination?

City	County
Yes <u>8</u>	Yes <u>6</u>
No <u>0</u>	No <u>0</u>
N/A <u>1</u>	N/A <u>1</u>

Are there eligibility criteria that screen out or tend to screen out qualified persons (or class) from services or activities?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>6</u>
N/A <u>1</u>	N/A <u>1</u>

Do you impose a surcharge on disabled individuals (or group) receiving auxiliary aids or program accessibility?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>6</u>
N/A <u>1</u>	N/A <u>1</u>

Do you exclude or deny equal services, programs, or activities to qualified persons or entity based on a known association or relationship with a disabled person?

City	County
Yes <u>0</u>	Yes <u>0</u>
No <u>8</u>	No <u>6</u>
N/A <u>1</u>	N/A <u>1</u>

Do you maintain required accessible features in operable working conditions?

City	County
Yes <u>8</u>	Yes <u>6</u>
No <u>0</u>	No <u>0</u>
N/A <u>1</u>	N/A <u>1</u>

(Please provide an explanation for any answer in which an asterisk appears Agency/Department Head)

* City Police Department

** County Planning Department

***City Human Resources Department: Several claims have been filed every year but none have been substantiated by EEOC in at least seven years.

Community Services Department: Anecdotal feedback tells us that the perception of some in the community towards historic patterns of discrimination has changed for the better. They feel the city is making progress on all social fronts, including housing. Efforts have been made to strengthen the link between Code Enforcement and assistance programs to increase the opportunity for low-income families to retain their homes.



APPENDIX E
CITY OF WILMINGTON
IMPACT FEES

APPENDIX F

TRI-COUNTY HOMELESS INTERAGENCY COUNCIL

POINT-IN-TIME SURVEY & HOUSING GAPS ANALYSIS

March 19th - 2003 Point-in-Time Homeless Survey TALLY SHEET

NEW HANOVER COUNTY

#	Agency	# Served	Wait list	Total	Chr. Hls.	Male	Female	Ind.	Fam Memb
1	Ashley Center	21	2	23	11	23	0	23	0
2	CARE Management	5	0	5	2	4	1	5	0
3	Coastal Horizons -Crisis & Outreach	31	0	31	31	28	3	31	0
4	Coastal Horizons -Horizons Housing	4	0	4	4	1	3	4	0
5	Coastal Horizons -Open House Youth Ctr.	2	0	2	2	1	1	2	0
6	Coastal Horizons -Outpatient Services	4	0	4	4	4	0	4	0
7	CURE Village	14	0	14	14	11	3	14	0
8	Disabled American Veterans	1	2	3	1	3	0	3	0
9	Domestic Violence Shelter	11	0	11	0	2	9	1	10
10	First Fruit-Men's Program	2	1	3	1	3	0	3	0
11	First Fruit-Mobile Day Outreach Program	150	0	150	12	118	32	148	2
12	First Fruit-Mobile Evening Feeding Program	112	0	112	89	96	16	90	22
13	First Fruit-Women's Transitional Program	4	7	11	1	0	11	11	0
14	Fourth Quarter Transitional Program	22	1	23	14	14	9	23	0
15	Good Shepherd Day Shelter	59	0	59	26	45	14	57	2
16	Good Shepherd Ministries Soup Kitchen	125	0	125	40	92	33	114	11
17	Hopewood supportive housing	17	4	21	4	8	13	15	6
18	Jail Diversion Program	13	0	13	8	10	3	13	0
19	Jesus Ministries	1	0	1	0	0	1	1	0
20	Kelly House	5	1	6	0	0	6	0	6
21	LINC-Vision of Hope Housing	4	2	6	2	0	6	6	0
22	Mercy House Shelter	22	0	22	22	22	0	22	0
23	NH Health Department	6	0	6	5	6	0	6	0
24	NH-Dept. of Social Services	19	0	19	2	7	12	2	17
25	Rescue Mission	14	0	14	0	14	0	14	0
26	Salvation Army-Shelter	45	10	55	36	34	21	49	6
27	Salvation Army-Soup Line	70	0	70	55	65	5	70	0
28	Searise Program	15	0	15	5	0	15	0	15
29	Southeastern Center-Crisis Station	3	0	3	3	2	1	3	0
30	Southeastern Center-Deaf Services	1	0	1	0	1	0	1	0
31	Stepping Stone	16	4	20	18	20	0	20	0
32	Volunteers of America-Willow Pond	37	11	48	0	12	36	0	48
33	Wilmington Interfaith Hospitality Network	9	6	15	0	5	10	1	14

Totals:	864	51	915	412	651	264	756	159
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TOTAL HOMELESS COUNT: 915

45% 71% 29% 83% 17%

2003 Continuum of Care: Housing Gaps Analysis Chart

		Current Inventory in 2003	Under Development in 2003	Unmet Need/Gap
Individuals				
BEDS	Emergency Shelter	163	0	52
	Transitional Housing	96	12	45
	Permanent Supportive Housing	72	26	147
	Total	331	38	244
Persons in Families With Children				
BEDS	Emergency Shelter	82	15	159
	Transitional Housing	66	12	391
	Permanent Supportive Housing	8	12	108
	Total	156	39	658

Continuum of Care: Homeless Population and Subnonulation Chart				
Part 1: Homeless Ponulation	Sheltered		Unsheltered	Total
	Emergency	Transitional		
1. Homeless Individuals	78 (N)	57 (N)	478 (N)	613
2. Homeless Families with Children	16 (F)	23 (F)	24 (F)	63
2a. Persons in Homeless Families with Children	47(N)	70(N)	72(N)	189
Total (lines 1 + 2a)	125	127	550	802
Part 2: Homeless Subnonulations	Sheltered		Unsheltered	Total
1. Chronically Homeless	126 (N)		252	378
2. Seriously Mentally Ill	56 (S)			
3. Chronic Substance Abuse	164 (N)			
4. Veterans	43 (N)			
5. Persons with HIV/AIDS	18 (N)			
6. Victims of Domestic Violence	75 (N)			
7. Youth	5 (N)			

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